#### CHECKLIST ENVIRONMENTAL ASSESSMENT

**Proposed Action:** Approve Drilling Permit (Form 22)

**Project/Well Name:** #1 Simmes Ranch 21-13 **Operator:** Falcon Energy Partners, LLC

**Location:** NE NW Section 13 T36N R3W **County:** Toole MT; **Field (or Wildcat):** Wildcat

**Proposed Project Date:** 7/18/2021

#### I. DESCRIPTION OF ACTION

Falcon Energy Partners, LLC plans to drill a well for a Middle Bakken formation test 3,350' MD / TVD.

#### II. PROJECT DEVELOPMENT

## 1. PUBLIC INVOLVEMENT, AGENCIES, GROUPS, OR INDIVIDUALS CONTACTED

Montana Bureau of Mines and Geology, GWIC website (Toole County Wells).

US Fish and Wildlife, Region 6 website ENDANGERED, THREATENED, PROPOSED AND CANDIDATE SPECIES MONTANA COUNTIES, Toole County

Montana Natural Heritage Program Website (FWP) Heritage State Rank= S1, S2, S3, T36N R3W

Montana Cadastral Website Surface Ownership and surface use Section 13 T36N R3W

Montana Department of Natural Resources MEPA Submittal

#### 2. ALTERNATIVES CONSIDERED

No Action Alternative: The proposed well would not be drilled.

Action Alternative: Falcon Energy Partners, LLC would have permission to drill the well.

## III. IMPACTS ON THE PHYSICAL ENVIRONMENT

#### 3. AIR QUALITY

Long drilling time: No, 3-5 days drilling time.

Unusually deep drilling (high horsepower rig): No, drilling rig for a 3,350' MD / TVD well. The objective formation is the Middle Bakken.

Possible H2S gas production: Possible in Mississippian formations.

In/near Class I air quality area: No.

Air quality permit for flaring/venting (if productive): Yes, DEQ air quality permit required under 75-2-

211. AQB review.

Comments: No special concerns – using rig to drill well to 3,350' MD / TVD. If there are no gas gathering systems nearby, associated gas can be flared under Board Rule 36.22.1220.

## 4. WATER QUALITY

Salt/oil based mud: Freshwater based mud or air will be used on surface hole. On production hole, air will be used until water is encountered, then switch to water based mud.

High water table: No high-water table anticipated at this location.

Surface drainage leads to live water: No, an unnamed ephemeral drainage is located about 1/5 of a mile to the west and ½ of a mile to the east.

Water well contamination: No water wells within a ½ mile radius. There are many monitoring wells in Section 18, T36N, R2W.

Porous/permeable soils: No, sandy clay.

Class I stream drainage: No.

Groundwater vulnerability area: No.

Mitigation:

Lined reserve pit:

\_X\_ Adequate surface casing

\_\_ Berms/dykes, re-routed drainage

\_\_ Closed mud system

Off-site disposal of solids/liquids (in approved facility)

Comments: Steel surface casing will be set to 265' and cemented to surface to protect ground water. (Rule 36.22.1001).

#### 5. SOILS/VEGETATION/LAND USE

Vegetation: Cultivated field.

Stream crossings: None anticipated.

High erosion potential: No, a small cut of 2.1' and a small fill of 1.6' is required. Loss of soil productivity: None, location to be restored after drilling well, if well is nonproductive.

Unusually large wellsite (Describe dimensions): No, a large location will be used, 200' X 240'.

Damage to improvements: Slight, surface use is for cultivation.

Conflict with existing land use/values: Slight

Mitigation

- \_\_ Avoid improvements (topographic tolerance)
- \_\_ Exception location requested
- X Stockpile topsoil
- \_\_ Stream Crossing Permit (other agency review)
- \_\_Reclaim unused part of wellsite if productive
- Special construction methods to enhance reclamation

Access Road: Access will be off of Loop Road. A new access of about 2,760' will be built into location.

Drilling fluids/solids: Drilling waste will be buried on site.

## 6. HEALTH HAZARDS/NOISE

Proximity to public facilities/residences: Nearest resident is located about ½ a mile to the northeast. The town of Sunburst is located about 1 mile to the east.

Possibility of H2S: Possible in Mississippian formations.

In/near Class I air quality area: No.

Size of rig/length of drilling time: 3-5 days drilling time.

Mitigation:

- <u>X</u> Proper BOP equipment: Using diverter.
- \_\_ Topographic sound barriers
- \_\_ H2S contingency and/or evacuation plan
- \_\_ Special equipment/procedures requirements
- Other:

# 7. WILDLIFE/RECREATION

Sage Grouse: No.

Proximity to sensitive wildlife areas (DFWP identified): None.

Proximity to recreation sites: None.

Creation of new access to wildlife habitat: None.

Conflict with game range/refuge management: None.

Threatened or endangered Species: Species identified as threatened or endangered in Toole County are the Red knot and Grizzly Bear. Potential species is the Whitebark Pine. MTFWP Natural Heritage Tracker website lists ten (10) species of concern, the Hoary Boat, Little Brown Myotis, Grizzly Bear, Golden Eagle, Burrowing Owl, Ferruginous Hawk, Chestnut-collared Longspur, McCown's Longspur, and Brewer's Sparrow.

| Mitigation:  Avoidance (topographic tolerance/exception) Other agency review (DFWP, federal agencies, DNRC Trust Lands, Sage Grouse Habitat Conservation Program)  Screening/fencing of pits, drillsite Other:  Comments: Private surface lands. There may be species of concern that maybe impacted by this wellsite.  We ask the operator to consult with the surface owner as to what he would like done if a species of concern is discovered at this location. The Board of Oil & Gas has no jurisdiction over private surface lands. No concerns. |
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| IV. IMPACTS ON THE HUMAN POPULATION   |
|   |
| 8. HISTORICAL/CULTURAL/PALEONTOLOGICAL  |
| Proximity to known sites: None.  Mitigation  avoidance (topographic tolerance, location exception)  other agency review (SHPO, DNRC Trust Lands, federal agencies)  Other:  |
| 9. SOCIAL/ECONOMIC  |
| Substantial effect on tax base  Create demand for new governmental services Population increase or relocation  Comments: No concerns.   |
| IV. SUMMARY   |
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No long term impacts expected. Some short term impacts will occur, but can be mitigated. I conclude that the approval of the subject Notice of Intent to Drill (does/<u>does not</u>) constitute a major action of state government significantly affecting the quality of the human environment, and (does/<u>does not</u>) require the preparation of an environmental impact statement.

EA Checklist<br/>Prepared By:Name:John GizickiDate:07/02/21Title:Compliance Specialist